Manifesto for a Socialist Canada



The Way Forward for the New Democratic Party

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Socialist Caucus Manifesto calls New Democrats to action

GENERATIONS OF WORKING PEOPLE have claimed the New Democratic Party as their own. Well they should. As the only **political** voice of organized labour, the NDP has been responsible for winning vast gains including socialized healthcare, social security, welfare and, in some provinces, public ownership of insurance, transportation and energy.

This decade has seen a global offensive by multinational corporations to privatize every level of publicly held services, industries and resources. Business seeks to reap huge profits by making individuals pay for basic needs previously ensured by governments. At the same time, big companies want to end the right of labour unions to defend the aspirations of their members.

Within the NDP, a majority of its leadership has succumbed to this trend, known as globalization, neo-liberalism or the Third Way. But NDP rank and file have rebuffed them. At the federal NDP convention held in Ottawa in late August, 95 percent of 700 delegates voted in support of a resolution denouncing the Third Way. Up to one-third of delegates voted to reject leadership policy papers that failed to define a working class orientation for the party.

The revolt in the party was led by the newly formed NDP Socialist Caucus and supported by delegates in the union, women, visible minority, and youth caucuses.

The "Manifesto for a Socialist Canada" is the programme of the NDP Socialist Caucus, whose aim is to return the party to its founding principle—the need for a Canada in which the wealth is shared equally by all.

What follows are excerpts from the Manifesto, which was eagerly picked up and taken home by 400 delegates.

Replacement of capitalism with socialism. Socialists around the world believe in the establishment of a society where the exploitation of one class by another will no longer exist.

By socialism we mean the replacement of the private ownership of the major means of production, distribution, banking and exchange with social ownership under workers, self-management and democratic government. A socialist NDP government would institute a system of economic planning [to satisfy] human needs rather than private profit. The road to socialism requires a clear vision. Party policies must be consistent with this objective [and] include the fight to eliminate unemployment, poverty, homelessness and racism; the protection and expansion of social programmes such as health care, education, child care and housing; the strengthening of labour laws, including employment and pay equity laws; the legislation of a shorter work day with no loss in pay or benefits; and regulations protecting our environment.

The international dimension. Massive anti-capitalist, anti-imperialist and democratic struggles have become the major feature of today's world. Socialists identify with the insurgents, and extend the hand of solidarity. We strive to transform the NDP into an active supporter of these workers, and farmers, struggles.

The War on the Poor. The creation of mass poverty within the ranks of the working class is a matter of deep concern for all working people. A socialist NDP would be at the forefront of the War of the Poor against those who profit from their misery.

The National Question. The NDP must champion self-determination for Quebec, as well as for the Acadian and Aboriginal peoples of Canada. This is a matter of democratic principle. Self-determination is a right of oppressed nations.

Against racism, sexism, ableism and homophobia. NDP must champion struggles against racism, sexism, ableism and homophobia. The NDP should actively participate in the direct, mass action wing of the movements for the liberation of women, lesbians, gays, transgendered persons, the physically and psychologically challenged, and victims of racist discrimination. Legislation only codifies what is won in struggle.

For a clean, safe, sustainable environment. Since the advent of the industrial revolution, the Earth's biosphere has been under steadily increasing assault. In their blind pursuit of profit, owners of Capital have poisoned the waters, fouled the air and exhausted the soil. The fight for the survival of all life on Earth is the order of the day, and this fight calls for the most radical and immediate action. Capital will not relent.

On to victory. Probably the most basic democratic right ever conceived is that those who create the wealth of society should own and control it. It is to the realization of this right that the NDP Socialist Caucus commits itself.

Millions of people throughout Canada can be moved by the vision of a new society in which democracy, equality and cooperation—the essential values of socialism—will one day be the prevailing principles of social organization. It is in the growth of that vision, in the resurgence of its organized expression, and in the success of workers, struggles where the best hope for humankind resides.



Manifesto Permocratic *for a* Socialist Socialist Caucus

Socialists around the world believe in the establishment of a society where the exploitation of one class by another will no longer exist. Our aim and ongoing struggle as New Democrats must be to establish a Socialist Canada. We believe that the achievement of this goal requires a socialist party that, together with the self-organized mass struggles of working people, can win government for the purpose of transforming Canada into a socialist society. Our objective as members of the New Democratic Party (NDP) is to make our party into one that fights for government, and when in government, actually implements socialist policies.

Replacement of capitalism with socialism

THE GLOBAL CAPITALIST SYSTEM is today in the throes of a massive economic, political, environmental and social crisis. If the capitalist system continues to exist, growing poverty, violence, war and repression and environmental degradation will be the fate of working people across Canada and around the world. The Socialist Caucus of the NDP does not believe that it is possible for working people anywhere to achieve significant and permanent social and political progress without transcending the limits of capitalism. A prerequisite is the establishment of Socialist governments all across the country, federally and provincially.

By a socialist system we mean the replacement of the private ownership of the major means of production, distribution, banking and exchange with social ownership under workers' self-management and democratic government. A socialist NDP government would as a first order of priority institute a system of economic planning with the objective of satisfying human needs rather than private profit. Democratic government will take on a new and profoundly richer meaning—to include a genuine accountability of the senior civil bureaucracy, subject to election and recall by the population.

Clearly the achievement of such an objective is not an immediate prospect. But the road to socialism requires a clear vision. All measures and policies undertaken by the party must be strategically related to and consistent with this objective. Such policies include the fight to eliminate unemployment, poverty, homelessness and racism, the protection and expansion of social programmes such as health care, education, child care and housing, the strengthening of labour laws, including employment and pay equity laws, the legislation of a shorter work day with no loss in pay or benefits, and regulations protecting our environment.

Class politics

THE NDP MUST ALSO commit itself to becoming a party that represents and leads the self-organized fight for the interests of wage earners, the unemployed, selfemployed people and family farmers. These popular sectors encompass the overwhelming majority of Canada's population. Excluded are only the owners of industrial and finance capital, their political and administrative managers, and the enforcers of their rule. The notion of a party that represents and seeks to govern in the interests of "all the people" is not only wrong in principle, but is in fact quite impossible. This is because the interests of workers and small farmers can never be reconciled with the interests of the owners of Capital.

The historical experience of the Ontario NDP government from 1990 to 1995, among others, makes this reality abundantly clear. The NDP government under Premier Bob Rae began on a progressive course, but proceeded to launch, in essence, a neo-liberal policy offensive that has been accelerated and deepened by the Tory government of Mike Harris. The clearest manifestation of this was the so-called "Social Contract" legislation, wherein the NDP government used its legislative power to degrade the collective agreements of nearly one million Ontario workers. When Tories say they govern in the interests of business, they mean it. An NDP government must commit itself to govern in the interests of working people, and mean it.

The international dimension

IN RESPONSE TO THE CRISIS of the world capitalist system, massive anti-capitalist, anti-imperialist and democratic struggles have become the major feature of today's world. Dictators sponsored and supported by western governments are increasingly confronted by rebellious masses battered by IMF-imposed austerity measures. Socialists identify with the insurgents, and extend the hand of solidarity. We strive to transform the NDP into an active supporter of these workers' and farmers' struggles for social justice, democracy and socialism.

Corporate capitalism and its neo-liberal agenda

CURRENTLY ONE OF THE GREATEST weaknesses of the NDP is that it has failed to understand the nature of the neo-liberal agenda of the Liberal, Conservative and Reform parties—the parties of Capital. The NDP's political orientation is based on the incorrect notion that those ruling in the interests of Capital are pursuing the policies they do because of "greed," or due to their failure to adhere to so called "Canadian values." Or alternatively, that there is a secret cabal of businessmen conspiring to "sell out" Canada to US-based multi-national corporations.

The party must realize the fact that neo-liberalism is the result of the crisis of international capitalism, driven by the radical decline in the rate of profit—that is, the sharp decline in return on invested capital which began in the early 1970s. This decline in the rate of profit is primarily the result of the competitive struggle between the major economic blocs—the US-led bloc (in which Canada's business elite is a junior partner), the European Union (EU), and the Asian bloc, led by Japan.

The falling profitability of productive business in Canada can be measured in a number of ways. A common way is to measure profits as a share of total economic output. This measure, called the **profit share**, indicates the portion of an economy's output that is reflected in the profits of businesses. In Canada throughout the postwar era, this has declined fairly steadily from levels of 20% or more of GDP in the 1950s and 1960s, to an average of just 12.7% during the 1990s. These numbers are calculated on a before-tax basis. After taxes, the final net income of private businesses in Canada is an average of just 8% of GDP during the 1990s.

A more telling measure than the "share" of total output going to profits is the "rate" of profit received by capitalists in return for their actual capital investments. So, an alternative means of measuring the profitability of business is to calculate the **profit rate:** profits as a share of the capital that has been invested in production.

There are different ways to measure the profit rate depending on which particular measure is chosen for the total capital stock of business. We can calculate the rate of profit as a share of non-financial assets alone or as a share of total business assets, that is both financial and non- financial assets taken together.

As a share of total business assets (both financial and non-financial assets) this rate of profit has declined by about half since 1960 to about 3% per year during the 1990s. But this measure for technical reasons will **overstate** the decline in the true profitability of business investment.

On the other hand, profit as a share of non-financial assets only has declined less markedly: by about three or four percentage points over the post war era, to an average of some 9% per year during the nineties. This measure will, however, **under**estimate the decline in the profitability of real business investments.

The true extent of the decline in profitability of real investment in Canada therefore probably falls between the two sets of figures given above. (Figures for the rates of profit are from **Paper Boom**, by Jim Stanford, Chapter 11.)

The competition between the three blocs and the consequent decline in the rate of profit, forces capitalist firms to cut costs in order to shore up the all important rate of profit. The bosses shed workers (downsize), force down wage and benefit levels, increase the intensity of work (speed up), and replace human labour with machines. Since only living labour can generate profit, its replacement with "dead labour," (machinery), inevitably contributes to the decline in the rate of profit.

The result is a drive by governments, acting in the interest of Capital, to deregulate and privatize the economy and to wage an offensive to lower the cost of labour and its reproduction. It is this thrust that leads to a dismantling of the welfare state—evident in the attack on trade union rights, workers' compensation, environmental protection, workers' health and safety, welfare, unemployment insurance, medical services and public education. These policies are not the result of "greed." Capitalists are no more "greedy" today than they were in the past. Nor is this trend a result of the abandonment of "Canadian values." The implementation of these policies is a matter of life and death for Capital, given the current situation of world capitalism.

Basically, there are no solutions or alternatives to the entire neo-liberal offensive acceptable to working people short of challenging the power of Capital and its political rule. Desperately needed is working class political action that brings to power an NDP government that will implement reforms that go beyond the limits currently set by the framework of capitalism.

The War on the Poor

ONE OF THE MAJOR results of the neo-liberal offensive is to force growing numbers of working people into the ranks of the poor. Poverty in Ontario, for example, has reached levels of profound crisis. In Ontario, for example, the Conservative government's cut of 21.6 percent from already meager welfare rates, their regressive redesign of the social assistance system, and their outright destruction of legislation that offered some protection to tenants, have all worked to fuel an explosion of hunger, increased violence and homelessness. So many individuals and families are being added to the ranks of the homeless that advocacy groups have successfully campaigned for the situation to be declared a national disaster.

Quite apart from the glaring injustice of such misery in a province with vast wealth that is primarily in the hands of a parasitic few, it must be understood that the creation of mass poverty within the ranks of the working class is a matter of deep con-

cern for all working people. An increase in unemployment and intensified poverty for the unemployed heighten their desperation and reduce the bargaining power of workers. A socialist NDP that fights to take forward the struggles of the workers' movement would be side by side the trade unions. It would make every effort to organize the unemployed and the poor. Rejecting the advice of its present Blair-ite spin doctors who believe that only cuts to health care and education can be fought with public approval, a socialist NDP would be at the forefront of the War of the Poor against those who profit from their misery.

Unemployment and Declining Incomes— The Achilles Heal of World Capitalism

ONE OF THE MOST consistent claims made by neo-liberal economists and politicians is that their policies will "create jobs" and overcome the socially destructive levels of unemployment that have prevailed in capitalist countries during the past decade or so. The low level of unemployment in the US is often cited as a model. There is actually a kernel of truth in this argument: while Canadian workers have been suffering an official unemployment level of between 8 and 12% (in reality, 16-18%), the US rate has been approximately 5-6% (in reality, 9-10%).

However, this lower rate in the US has been achieved at the cost of a radical decline in the standard of living, job security and social rights of American workers. Over the past fifteen years the wages of US workers have declined from first place, among the ten most advanced capitalist countries to ninth, just ahead of post-Thatcher-ite Britain. Real wages for non-supervisory workers, about 75 to 80 percent of all workers, have been declining since 1972. Measured in constant (inflation adjusted) dollars, a full time US worker in 1972 took home \$315.44 per week. Today the same worker takes home only \$255.90 a week, a 19% decline. These statistics actually understate the declining share of the labour product received by workers due to sales taxes and other hidden taxes being added to the price of commodities, as well as a sharp intensification of the labour process and the lengthening of the work week.

This is perhaps the first time in the long history of world capitalism that real wages are falling in the midst of a so-called "economic boom." Between 1978 and 1988, for example, productivity in the US increased by 34 percent while compensation for workers declined by 1.5 percent.

A similar process is at work in Canada. A meaningful measure of labour income is not total dollars paid out, but rather the real purchasing power that can be earned during a certain period of work (an hour's wage, say, or a month's salary). By this criteria, workers in Canada are worse off than they were fifteen years ago **(Paper Boom,** page 235). The volume of private investment is in large measure dependent on the lowering of wages (both money wages and the social wage). So as long as the private sector is seen as the major or even the sole engine of job creation, Canadian workers must accept a sharp lowering of their standard of living. This is one of the results of the imposition of neo-liberal policies on Canadian workers. It must be noted that the only capitalism possible today is the system emerging from the neo-liberal revolution. The possibility of capitalism "with a human face" advocated by adherents of the so called Third Way and including the current leadership of the NDP is not only naive, but entirely impossible to establish and maintain.

The Real World of Globalization

THE ARGUMENT MADE by neo-liberals that the globalization of capitalism has utterly marginalized the role of the national state, and minimized its ability to influence the economy, is completely false. As in the past, the Canadian state acts in the interests of the ruling business elite. What has changed is not the nature of the state, but rather the tasks set for it by the dominant ruling elite. If, in the past, the task set was the achievement of some degree of economic independence from the US economy, today the task is, through Free Trade, the Multilateral Agreement on Investment (MAI) and the full neo-liberal agenda, the total integration of the Canadian economy into that of the US. An inevitable component of this is the 'harmonization' of social policy on both sides of the 49th parallel.

The current worldwide crisis of the financial and banking system, as reflected in the 'Asian Flu', the collapse of the Russian economy, and the tottering financial systems of Japan and Latin America, has brought about the immediate possibility of a worldwide economic meltdown far greater in scope than the depression of the 1930s. The implications of this, along with the spectacular failure of Structural Adjustment Programmes, have had depressing effects on living standards that are almost too horrible to contemplate.

The function of the so-called 'casino economy' (i.e. trade in stocks, bonds and currency, often called 'fictitious capital') is to facilitate the circulation of capital, credit, and the realization of profits. Clearly, this is not simply a function of globalization, the 'greed' of speculators, or the speed of technology—it is an inescapable feature of the capitalist system. It emerges simply because of the overriding law of the capitalist system—the maximization of profit. As a result of competition and the stagnation of economic growth resulting from under-consumption, the rate of profit in the real economy declines, while profit from the trade in fictitious capital becomes more and more central to the system.

The massive expansion of forms of fictitious capital has been driven by the intensification of international competition in a world market. In this situation, the financial departments of transnational corporations will inevitably seek ways to protect the money value of their capital from erosion and from unanticipated currency and asset price fluctuations. This leads to more—and more complex—forms of paper securities designed to hedge bets, offset currency devaluations, and reap enormous windfall profits to boot.

Underlying this unprecedented explosion of speculation is an equally unprecedented rise in public debt. Over the last 16 years, the public debt of the industrial (imperialist) states has risen from 41.7% to 70.7% of GDP. The total amount of public debt issued by these countries has reached the incomprehensible figure of more than \$10 trillion (US), almost all of it created out of thin air by banks, investment offices, and other financial institutions. To these big banks, the swollen public debt appears on their balance sheets as an asset—a claim on future state revenues—which can later be traded on the financial markets. Similarly, the debts on which Third World governments are required to pay interest to the modern-day usurers are resold to these same wealthy coupon-clippers on the international bond market at prices as low as five cents on the dollar.

The Asian economic meltdown has exposed the vulnerability of the capitalist world to the towering pile of government and private debt whose global accumulation has accelerated since the early 1970s. The total debt owed by the capitalists and governments of the non-imperialist countries to the wealthy families that own the major western banks had reached the unimaginable figure of \$2 trillion (US) by 1995, more than twenty times its level in 1973. The massive borrowing that resulted from Third World debt, was initiated, pushed and sustained by imperialist finance capital, which stood to profit enormously off the interest payments. Once again, it must be stressed that this too is simply a product of the capitalist system and its fundamental imperative—the profit motive.

The great instability of this house of cards is exacerbated by modern technology that allows massive transactions to take place literally in seconds. A tap on a computer key in New York can send billions of dollars sloshing around the world at a speed that makes forethought and calculation by human beings all but impossible. This causes the dizzying fluctuation in value of one or another national currency, and of corporate or governmental stocks and bonds.

In response to these insane oscillations, many have proposed various schemes which call on governments to control the flows of fictitious capital. However, this is contradicted by the need of speculators who, above all, demand the right to move capital anywhere, without hindrance. This is the medium by which they maximize their profits and protect the money value of their assets. The result is chaos, keeping the world economy on the edge of collapse of its financial and banking systems. Within the dominant business system, nothing can be done about crisis other than bail out corporations through billion dollar corporate welfare payments. Today the scope of these crises has become so huge that institutions such as the IMF do not even have enough money to bail out economies such as those of Russia, Japan and Brazil. Fundamentally, so long as capitalism rules, the world will remain an insecure and oppressive reality for working people.

The National Question in Canada

THE NDP MUST BECOME the champion of self-determination for Quebec, as well as for the Acadian and Aboriginal peoples of Canada. This is a matter of democratic principle. Self-determination is a right of oppressed nations.

Openly or concealed, the underlying thrust of policy for all parties of anglophone Capital is that force will be used to maintain the territorial integrity of the Canadian state should Quebec opt for independence. Threats of a "Plan B" attack, combined with open advocacy of the use of armed force by the likes of publishing magnate Conrad Black, are clear indicators of the trend of policy. The recent ruling of the Supreme Court establishes the legal basis for the denial of Quebec's right to self-determination.

English Canadian working people must be persuaded to see that the only basis of unity between the Québécois, English Canadian and the immigrant sections of the Pan-Canadian working class is recognition and active defense of the national aspirations of the workers of Quebec and the Aboriginal First Nations, along with the democratic and social rights of immigrants and people of color.

So long as the NDP is captive of a chauvinist policy that upholds anglophone privilege and relegates Quebec self-determination (in words) to maintenance of Canadian state unity (in practice), the NDP will never form a federal government. The party simply cannot compete for the support of the Quebec francophone working class on the same chauvinist ground occupied by the state-loyalist parties of Capital. The NDP must abandon the right wing terrain and seek an alliance with the organizations of the Québécois working class, which are in their great majority sovereigntist.

Likewise, in relation to the struggle of Aboriginal peoples for self-government, the NDP should echo their just demands, not as a conditional bulwark against Quebec independence, not as a function of a festering boundaries war, but rather to secure aboriginal just claims, rights and resources within **both** English Canada and Quebec.

The Fight Against Racism, Sexism, Ableism and Homophobia

THE NDP MUST become a champion of struggles against racism, sexism, ableism and homophobia. The fight for gender equality in employment opportunities and

pay, and the struggle to end discrimination against same-sex couples with regard to pensions, child adoption, and all social rights must become a crucial commitment for a genuinely socialist NDP.

A socialist NDP would endeavor to critically examine and radically reform the entire justice system. This system is racist in that it victimizes minority groups and native people. It is also a class-biased system whose overall role is to maintain capitalist property relations, ultimately by the use of state force, via the courts, police, and prisons. It has little to do with justice, in any sense with which socialists could identify.

In this regard, the party should demand that police power be made subject to civilian control, and fight racist police repression, which constitutes a grim reality for racial minority peoples living in Canada.

Racism had its origins in the historical development of capitalism, beginning with the trade in black slaves during the fifteenth and sixteenth centuries. Racism against aboriginal peoples has its origins in the colonization process of dispossession of aboriginal peoples by European colonizers and the subsequent drive to "integrate" them by force into the colonizers society and culture.

Sexism and homophobia, while a products of earlier patriarchal societies, are maintained and fostered by capitalism's need for cheap labour and for ideological control over the producing classes. Only the inauguration of a socialist society will create the basis for the elimination of racism, sexism, and homophobia.

To that end, the NDP should support and actively participate in the direct, mass action wing of the movements for the liberation of women, lesbians, gays, transgendered persons, the physically and psychologically challenged, and victims of racist discrimination. Legislation only codifies what is won in struggle. The struggle is decisive.

For a Clean, Safe, Sustainable Environment

SINCE THE ADVENT of the industrial revolution, the Earth's biosphere has been under steadily increasing assault. In their blind pursuit of profit, owners of Capital have poisoned the waters, fouled the air and exhausted the soil.

Imperialism, the dominance of Capital on a world scale, has intensified and qualitatively deepened the threat to the planet and all life forms.

For example, destructive clear-cut forest harvesting not only dissolves precious topsoil, displaces indigenous peoples, and gradually shrinks employment. It deprives the atmosphere of life-giving oxygen. Proliferation of carbon dioxide generates a "greenhouse effect" which threatens cataclysmic floods. The industrial release of fluoro-carbons is eroding our planet's protective cover, exposing more and more of its inhabitants to the cancerous direct rays of the sun. Depletion of potable water reserves puts agriculture and whole populations at risk.

The fight for the survival of all life on Earth is the order of the day, and this fight calls for the most radical and immediate action. Capital will not relent in its mind-less pursuit of the bottom line. Partial 'controls', and international 'treaties' with loopholes the size of radiation-spewing nuclear reactors, offer pathetic palliatives just to assuage fears. Only public ownership, under democratic control, of the commanding heights of the economy holds out the realistic hope of stopping and reversing the all-life threatening tendencies now at work.

Democratic workers' control, under a workers' government, will impose social and ecological responsibility on production. Our starting point must be that the polluters and exploiters must pay, and must clean up their mess. If they cannot, or will not, expropriation will give working humanity the means to start the job of ecological recovery.

Socialists place the highest priority on developing practices, with the aid of the appropriate technology, that will conserve, re-cycle and re-use limited resources. Cheap mass public transit in large urban areas, and safe, clean energy generation are crucial both economically and ecologically. The ecological future begins with resistance today to the bosses' plans to privatize public energy and transit systems, and with our efforts to de-militarize the economy and state.

For Party Leadership and Parliamentary Caucus Accountability, For Political Democratization

THE STRUCTURES OF THE PARTY must be reformed to render impossible a repeat of the experiences of NDP provincial governments, where the parliamentary caucus is able to act independently of, and contrary to, the wishes of the party's membership and elected executive bodies. Never again should the NDP leadership be permitted to abandon the goals and policies adopted via the democratic structures established to empower the party's rank and file. There must be a mechanism for direct re-call of leadership. Likewise, the party should institute automatic resignation provisions, which are triggered by any direct violation of working class principles and key membershipmade policy decisions. Democratic accountability must be more than an a literary adornment; to be meaningful it must be enforceable.

Always a great ally in the fight for fundamental social transformation is the movement to extend democracy as far as possible, including by political reform. To undermine the establishment's ideological stranglehold, to foster true direct political representation, and to open up a larger space for radical alternatives inside the political arena, the NDP should aggressively campaign for proportional representation at all levels of state and society. We also demand that the party actively fight for abolition of the Senate, an elitist, extravagantly wasteful, patronage-packed and obstructive vestige of colonialism and feudalism—and link this to our demand for abolition of the monarchy. Concerning the judiciary, appointment by Cabinet should be replaced by the elective principle.

The Question of Strategy

ONE OF THE GREATEST sources of weakness of the party is the totally electoralist nature of its policies and strategies. The party should become an activist organization that participates, on an ongoing basis, in the mass mobilizations and extra parliamentary struggles of the workers' movement and allied social movements. Electoral success for a workers' party is prepared between elections. To abstain from, or even oppose extra-parliamentary activity, as the current NDP leadership does, is to condemn the party to impotence.

Deplorable Examples of Party Leadership in Action

NOTHING MORE CLEARLY shows the result of the NDP's lurch to the right and its failure to constitute a political barrier to Canadian neo-liberalism than a survey of the practice of the party's provincial sections.

Ontario

THE JUNE 1999 ONTARIO election marked a serious defeat for working people in general and the NDP in particular. This election saw re-election of the right wing neo-liberal government of Mike Harris. Through sharp confrontational politics, the Harris government in its first term succeeded in imposing on the working people of Ontario a serious degradation of the welfare state that was built as the result of 50 years of parliamentary and extra parliamentary mass struggles. The ONDP failed to develop a programme or strategy capable of countering this neo-liberal offensive. To understand why the ONDP did so poorly in this provincial election we must go back to September 1990. That was when the NDP under the leadership of Bob Rae came to government, and as stated in the title of Wayne Roberts and George Ehring's book, proceeded with "Giving Away a Miracle."

In June 1995 the party went down in flames, opening the way to the election of a new Harris government. This was the result not only of abandonment of important aspects of the programme on which it was elected, but of the NDP enacting what were in essence neo-liberal policies which violated long standing principles on which the party was based. Thus it alienated a major proportion of its electoral constituency and also its activist base. Thousands left the party and thousands more receded into inactivity. Following this debacle, the party proceeded on essentially the same failed political course set by the Rae leadership. In the face of the Harris neo-liberal agenda pursued through an anti-democratic strategy of confrontation, the NDP was unable to come up with a strategy, programme and practical social vision essentially different from the parties of capital the Liberals and the PCs. The existing differences were of a shallow and largely cosmetic nature.

Upon the eruption of one of the greatest upsurges of working class mass mobilization in Canadian history, the party leadership did not just stand aside. Using the Pink Paper union leadership as its agency within the trade unions, it acted to derail and curtail the mass movement. The overall political message from the Hampton leadership (also articulated by prominent Pink Paper union leaders) to the working people of Ontario was this: the solution to your problems lies in electing the NDP. Why? Because we are the good guys who introduced medicare and all the other good stuff, and we are the only ones on whom you can rely to save public education and health care. After the experience of 1990-95, however, this was a hollow claim.

The central political problem with which the NDP caucus dealt during the 1995-99 period was how, given its politics, to differentiate the NDP from the Liberals. But the Liberals, it is clear, are the 'soft cops' and really have only differences of tactics, timing and style with the Harris thugs. Programmatically they are on the same neo-liberal line. The only way that the NDP could gain strength was to put forward an alternative programme, that is, a programme that goes beyond the limits imposed by the rulers' neo-liberal agenda, as reflected in the programme and practice of the parties of Capital.

If such a programme had been developed, the party could have popularized it through its participation in the mass movement. In fact, the NDP should have become a builder of the movement and struggled to win the movement to its programme. Had that been done, the NDP could have been a serious contender for government in June 1999. At the very least, the party together with the trade unions would have emerged as the main opposition to neo-liberalism. The seeds of electoral victory are planted and nurtured between elections, while the election campaign itself is just the harvest. The NDP seeded little and harvested even less.

In order to give the appearance of change, the NDP leadership engaged in a carefully controlled "Dialogue for Change." The results of this dialogue were in fact never used in developing an electoral programme. In its place the party developed a "marketing strategy" based on focus groups and polling, designed by a group of "media savvy" marketeers.

In the words of political analyst Marc Zwelling, "Pundits claim that all leaders mouth generalizations. Not so. The Conservatives outmaneuver the other side with ideas. A bad idea may sometimes beat a good idea, but a bad idea will always beat no idea." The ONDP in this election advanced very few **ideas**. Again, in the words of Zwelling, "The ONDP's central argument that 6% of taxpayers got 25% of the Harris tax cuts sounded more like a final exam question than a political hook."

Finally, the party failed to be inclusive in its programme to reach and empower visible minority and poor people. It completely failed to address the needs and political interests of those very broad sections of the working people. Those are the victims of the systemic racism which is at the core of Canadian capitalist society, and also encompass many of the victims of neo-liberalism's war on the poor.

British Columbia

THE NDP GOVERNMENT under Glen Clark hangs by a thread. Having lost all semblance of socialist ideology and policy, the party faces electoral extinction. Returned to government by labour in 1996, after witnessing the results of the Mike Harris triumph, the BC NDP learned no lessons and stumbles from scandal to scandal.

The leadership follows the path of Blair-ism, the Third Way. The Glen Clark government has privatized provincial forests, expanded polluting fish farming, cut back welfare payments, failed to enact needed labour and environmental legislation, and cooped the former pro-business party leader Gordon Wilson into the provincial NDP Cabinet.

Meanwhile tens of thousands have become redundant in the forest sector, homeless people fill the streets of Vancouver, youth unemployment is epidemic, organized racism, sexism and homophobia increases, and labour threatens to break with the NDP. Still the leadership remains mute. Ranks are demoralized by the turn to the right, youth view the NDP as an establishment party, secondary leadership is silenced with patronage appointments, and hundreds of veteran members abandon the party.

Saskatchewan

SINCE THE SCANDAL-WRACKED provincial Conservative party was officially dissolved (with several former Tory Cabinet ministers still in jail), the NDP clings to power by default, afraid to call a general election after imposing heavy fines on striking Saskatchewan nurses. Hospital closures, cuts to health and education, and rabid federalist, anti-Quebec rhetoric from NDP Premier Roy Romanow have driven many activists from the NDP to form a Green reformist splinter party. The pioneers of medicare are spinning in their graves while their political descendants dismantle the welfare state and arrogantly presume they can continue to wage and win election campaigns on the legacy they are trampling.

Coincidentally, John Hamm the newly re-elected Premier of Nova Scotia summed it up well. When asked which provincial premiers he thought were currently doing a good job his first choice was Roy Romanow of Saskatchewan followed by Gary Filmon of Manitoba. "But Romano is NDP," said the reporter, to which Hamm answered, "true, but in name only."

Atlantic Canada

ON THE CREST of massive protests by workers, fishers, cut-off employment insurance recipients, and parents against school closures, over the past two years the NDP achieved an electoral breakthrough in this region. But party leaders are squandering the federal and provincial gains by posturing as fiscal conservatives who offer voters next to nothing. Following a very disappointing result for the NDP in New Brunswick, upon whom did Robert Chisholm, the Nova Scotia NDP leader, heap praise? None other than the new young Tory Premier of New Brunswick, Bernard Lord.

Red Tory political pundit Dalton Camp observed in his July 11 Toronto Star column that Chisholm, "has been sounding like a conservative, preaching the virtues of fiscal prudence and minimalist government." To paraphrase Camp, 'trying to sound like a neo-liberal, Chisholm leaves half his audience thinking him insincere, and the rest thinking him insane.' Of course the issue here is not a leader's image or career, but rather the hopes and aspirations of working people eager for social change in their own class interests. In the end, Nova Scotia voters saw little difference between the NDP and the other parties, so they handed

Conservative John Hamm a majority government on July 27 and reduced Chisholm and his colleagues to twelve seats, just one ahead of the discredited Liberals.

The NDP in the Federal Parliament

NOTHING MORE CLEARLY demonstrated the bankruptcy of the party's current practice than the NDP caucus' craven 'me-too-ism' in support of NATO's barbaric bombing of Yugoslavia, and its half-hearted and awkward retreat to a "suspend" the bombing position. Aside from the fact that the terror bombing qualitatively escalated 'ethnic cleansing' and the refugee crisis, and caused long-term environmental damage, what has the party said to date about the lack of self-determination for the Kosovars, and the establishment of an imperialist protectorate in the Balkans a military base from which the U.S. and its allies can monitor (and enforce) the transition to capitalism across eastern Europe (and Russia)? And exactly where does it leave 30-year-old NDP policy with regard to Canada leaving the belligerent NATO alliance?

Federal leader Alexa McDonough apparently sees no contradiction between, on the one hand, publicly slamming NDP MP Svend Robinson for submitting a petition by constituents to Parliament to remove God from the Constitution, a subject on which the party has no adopted policy, and on the other hand, herself blatantly violating the NDP's commitment to oppose NATO, and turning a blind eye as some

caucus members vote for an anti-gay motion presented by the ultra-right wing Reform Party. If the latter are just temporary errors and oversights, why are 'errors' always biased to the right, rather than a reflex to the left?

Simply because these are not errors. They are consistent with a long term orientation and strategy, which party leaders now hope to formally consolidate. It is part and parcel of the leadership's appeal to corporations last Fall, their pledge to put deficit and debt reduction ahead of restoring social programmes, their acquiescence to Social Union downloading to the provinces so as to preserve a federal capitalist state that denies Quebec self-determination.

Party leaders know that none of this goes down easily with rank and file New Democrats, nor with progressive working people generally. They know there will be resistance to their neo-liberal agenda, especially inside the NDP. In fact, the attack by leader McDonough and MPs Nelson Riis and Lorne Nystrom on Svend Robinson had little to do with religion or parliamentary protocol, and much to do with trying to isolate and marginalize party leftists on the eve of the NDP federal convention in Ottawa, August 27-29. Their efforts against Svend largely backfired, but their resolve to entrench, in policy, a radical shift to the right remains undiminished.

The Third Way

A NUMBER OF PROMINENT NDP leaders are today advocating a radical programmatic reorientation of the NDP. This is sometimes expressed in abstract ways, such as the need to "reach out to small business." The argument is made that the party must begin to develop "new ideas" that are appropriate to contemporary Canadian society. They argue that a variation of the so-called Third Way, as practiced by Britain's New Labour led by Tony Blair, adjusted to Canadian conditions, is such a body of "new" ideas. In our view the only thing new about the programme of New Labour and of the other ex-social democratic parties of western Europe is the new wrapping for a very old message to working people: 'Workers, forget about changing the world in any real liberatory sense. Capitalism is permanent. It has won the great battle of the century. Hasn't the Berlin Wall fallen?'

The question, according to Bob Rae, a major proponent of these "new ideas", is not Socialism or Capitalism, but what kind of capitalism. It can be the nasty capitalism of Thatcher and Harris (only two of the many we could mention) or it can be Capitalism "with a human face."

Yet there is a problem. There are millions of working people, including even the best paid Oshawa auto workers thinking; "hey is this all there is to life?" And this is not to speak of the rapidly growing increasingly less privileged section of the class—office workers, government employees right down to the growing underclass that inhabit the great cities of the Capitalist world. The task of the third way is to create a vision of a "better world" while at the same time leaving the basic class and eco-

nomic structures of capitalism unchanged. This in a nutshell is all that the body of ideas that go by the name "Third Way" is all about. Granted, the dynamics of the capitalist system outlined earlier in this Manifesto the Third Way is in fact a reactionary utopia.

We reject this view! Contemporary Capitalism is an inhuman system that is driving the world to barbarism. It is in its very nature not reformable to any significant degree. It must be replaced by a new system based on human solidarity, popular power, real democracy and economic planning under workers control. We urge the membership of the NDP to adopt these views and objectives. There are, of course, very many questions to be answered along this road. But all those who agree with this point of view will surely reject the Third Way. We invite them to join the Socialist Caucus.

There are, of coarse many New Democrats who, while believing in Socialism, do not agree with all of our ideas. But they too must reject the Third Way. Together, we may not agree on exactly how to get there, but we all want a path to a socialist Canada, in a socialist world. We need simply to agree that all our efforts should aim to advance the socialist project! We must therefore reject the Third Way. There are only two ways—socialism or capitalism.

Conclusion: On to victory

WE NOW LIVE in a world where, because working people are under the thumb of Capital, the normal operation of the system will continue to degrade the standard of living, and the social and democratic rights of working people. A "kinder, gentler" form of capitalism is no longer available. The so-called "Golden Age" of Keynesian, welfare state capitalism, is over and there is no going back. The global economy is in chaos, the result of an irrational and unplanned economic system owned and controlled by a tiny percentage of the world's population. The only way in which the great majority of people in Canada can ever again see rising incomes and living standards is if the major means of production are taken from the corporate business class and transferred into the hands of working people. Probably the most basic democratic right ever conceived is that those who create the wealth of society should own and control it. It is to the realization of this right that the NDP Socialist Caucus commits itself.

The belief that there is a difference between maintaining socialist policies and winning government is fallacious. The truth is, they are synonymous. The only way in which the NDP will again win an election is if it attains a high percentage of votes of the working people. The party must appeal to, advocate and advance the class interests of the majority class, and its allies. A socialist NDP will campaign on a socialist/working class programme that puts public good ahead of private profit. A socialist NDP also means a more democratic NDP, where the leadership, especially when in government, implements the policies adopted via the democratic structures of the party.

ONLY WITH THE CREATION of a socialist economy and society will unemployment, poverty, homelessness, massive environmental devastation, as well as the other appalling aspects of capitalist society—including racism, sexism, and homophobia—truly disappear. The NDP realizes that millions of people throughout Canada can be moved by the vision of a new society in which democracy, equality and cooperation—the essential values of socialism—will one day be the prevailing principles of social organization. It is in the growth of that vision, in the resurgence of its organized expression, and in the success of workers' struggles where the best hope for humankind resides.

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Want to fight for a Workers' Agenda? Join the Socialist Caucus of the New Democratic Party!

THE SOCIALIST CAUCUS is open to all members of the NDP. Those who wish to participate in the work of the Caucus but are not members of the NDP will be able to join the party at meetings of the Caucus. The Socialist Caucus is an organized, cohesive tendency of hundreds of New Democratic Party members from across the country, who aim to return the party to its working class roots, and to a socialist programme and practice. Anticapitalists and social movement activists seeking to make real and substantial change are invited to join with us and fight for a better world.

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